

Message Text

LIMITED OFFICIAL USE

PAGE 01 JAKART 04270 040801Z
ACTION EA-12

INFO OCT-01 EUR-12 ISO-00 EB-08 COME-00 PM-05 MCE-00
TRSE-00 CIAE-00 INR-10 NSAE-00 DOE-15 SOE-02
ACDA-12 /077 W

-----097410 040836Z /14/14

P R 040210Z APR 78
FM AMEMBASSY JAKARTA
TO SECSTATE WASHDC PRIORITY 7865
INFO AMEMBASSY PARIS

LIMITED OFFICIAL USE JAKARTA 4270

C O R R E C T E D C O P Y (TEXT)

E.O. 11652: NA
TAGS: EAIR, BEXP, ID
SUBJECT: POTENTIAL SALE OF LOCKHEED L400 TO GOI

REF: (A) STATE 042529, (B) JAKARTA 1729, (C) STATE 023198

1. AIR COMMUNICATIONS' BARKAH INFORMED EMBOFF MARCH 31 THAT THE FRENCH-MADE TRANSAL C-160 HAS THE INSIDE TRACK FOR GOI PURCHASE OF AIRCRAFT TO BE USED IN THE TRANS-MIGRATION PROGRAM. THE DESIRED PLANE IS ONE WHICH CAN MOVE TRANSMIGRANTS AS CLOSE AS POSSIBLE TO THEIR FINAL DESTINATION. THIS REQUIRES PLANES WHICH CAN LAND ON VERY SMALL AIRSTRIPS WITHOUT THE NECESSITY OF STRENGTHENING THE STRIPS. THE L-400 CAN LAND ON SMALL STRIPS BUT BECAUSE ITS "ISOLATED SINGLE WHEELLOAD" IS SO HEAVY REPEATED LANDINGS RUIN THE STRIPS ACCORDING TO BARKAH.

2. BARKAH SAID AIR COMMUNICATIONS INTENDED IN THE FAIRLY NEAR FUTURE TO SUBMIT TO BAPPENAS, THROUGH THE MINISTER, A PROPOSAL TO PURCHASE THE TRANSAL (PROBABLY THREE TO BEGIN WITH). IT IS NECESSARY TO SUBMIT COMPARISONS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 JAKART 04270 040801Z

WITH OTHER PLANES UNDER THIS PROCEDURE, AND THUS DETAILS ON THE L-400, THE ONLY POSSIBLE COMPETITOR FOR THE FRENCH PLANE, WILL BE SENT TO BAPPENAS AS WELL. HOWEVER, WHILE LOCKHEED HAS DISCUSSED ITS PLANE WITH THE GOI AND PROVIDED COMPLETE TECHNICAL SPECS, ITS HAS NEVER MADE A PROPOSAL (I.E., COST, TERMS, DELIVERY DATE, ETC.). IN THE ABSENCE OF A PROPOSAL, THE L-400

COULD NOT BE PURCHASED EVEN IF THE TRANSAL WERE REJECTED.

3. EVEN THOUGH THE TRANSAL IS FAVORED BY AIR COMMUNICATIONS, BARKAH ADMITTED THAT ITS ESTIMATED COST, \$11 MILLION, COULD CAUSE IT TO BE REJECTED BY GOI FINANCIAL AUTHORITIES. IN THIS CASE, THE L-400, ESTIMATED TO COST BETWEEN \$7-9 MILLION WOULD BE IN GOOD POSITION, ASSUMING LOCKHEED HAS MADE A PROPOSAL TO THE GOI.

4. COMMENT AND ACTION REQUEST: FOR A COMPANY REPORTEDLY KEEN TO MAKE THIS SALE TO INDONESIA, LOCKHEED'S SALES EFFORTS SEEM TO US TO HAVE BEEN RATHER UNAGGRESSIVE. WE DO NOT WISH NOW TO RAISE UNREALISTIC HOPES ON THE COMPANY'S PART SINCE THE FRENCH SEEM POISED TO MAKE THIS SALE. NEVERTHELESS WE CERTAINLY BELIEVE IT IN LOCKHEED'S INTEREST TO MAKE A PROPOSAL AND THUS TO PROVIDE A VIABLE ALTERNATIVE TO THE GOI SHOULD THE TRANSAL BE REJECTED FOR FINANCIAL OR OTHER REASONS. AN ADDED INCENTIVE IS THAT BARKAH ALSO SAID THAT WHILE AIR COMMUNICATIONS MAY PURCHASE ONLY THREE AIRCRAFT AT THIS TIME, OTHER PARTS OF THE GOI MAY BE IN THE MARKET FOR A SIMILAR PLANE AND THAT THE L-400 COULD BE A GOOD CANDIDATE, FOR THESE OTHER PURCHASES. WE UNDERSTAND LOCKHEED VICE PRESIDENT ETHERIDGE IS TO VISIT INDONESIA THIS MONTH AND WE URGE THAT HE COME PRE-LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 JAKART 04270 040801Z

PARED TO MAKE A PROPOSAL TO THE GOI.
MASTERS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SALES, TELECOMMUNICATION, NEGOTIATIONS, TRANSPORT AIRCRAFT, AIRCRAFT SALES
Control Number: n/a
Copy: SINGLE
Draft Date: 04 apr 1978
Decaption Date: 20 Mar 2014
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978JAKART04270
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780149-0372, D780144-0615
Format: TEL
From: JAKARTA
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780496/aaaaddlu.tel
Line Count: 96
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: d3b509b7-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: ONLY
Original Previous Classification: n/a
Original Previous Handling Restrictions: ONLY
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: ONLY
Reference: 78 STATE 42529, 78 JAKARTA 1729, 78 STATE 23198
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 30 apr 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3084681
Secure: OPEN
Status: NATIVE
Subject: POTENTIAL SALE OF LOCKHEED L400 TO GOI
TAGS: EAIR, BEXP, ID, LOCKHEED
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/d3b509b7-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014